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STATE CONTROL COMMISSION SEVERELY CRITICIZES STATE FARMS

The State Control Commission inspected the "Tundzha" State Livestock Farm, near Bikhovo city, and the state farm in Sadovo village, Asenovgrad Okoliya, to examine the fulfillment of their production and financial plans for 1950, and the reasons for the losses incurred during the same year.

The inspection revealed that the results of the productive and financial activity of these farms in 1950 were altogether unsatisfactory. The "Tundzha" Farm (director, Stancho Savov Stanchov) incurred a loss of 18,999,510 leva in 1950, and the state farm in Sadovo (director, Dimitar Dimitrov Kumanov) incurred a loss of 6,589,863 leva.

The unsatisfactory results obtained by these farms and the losses incurred in 1950 are due to the following: excess expenditures from the workers' wage fund, extremely unsatisfactory labor organization, failure to employ modern agricultural methods, expenditures in excess of funds allotted for general production and administrative needs, waste in seeding and planting, bad utilization of agricultural machinery and wasteful methods of harvesting.

This shows that although they have been in existence for some time, these farms still have not been transformed into modern socialist farms. They are very far from serving as models and practical examples to farm workers' cooperatives and individual farms and from showing the advantages of large-scale socialist agriculture, which can give the state a larger output of grain, milk, butter, wool, etc.

The directors of the suspected farms have violated the plan discipline by failing to assure total fulfillment of the sowing plans and by failing to apply new agricultural methods. For instance, the director of the "Tundzha" Farm has not fulfilled the 1950 sowing plan on 329.4 decares, for oats, beans, seed clover, corn, lucerne, etc., as well as the plan for the deep autumn plowing of 425 decares. Furrow sowing and spading for spring crops has not been accomplished satisfactorily, although there are a sufficient number of drills and spades at the farm. The director of the state farm in Sadovo village has permitted the plowing of only 38 percent of the area allotted for deep plowing by the plan, and 70 percent of the area allotted for surface plowing. The directors have rotated their crops, despite the fact that their farms have been supplied with all facilities.

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Because proper agricultural methods were not applied, lower yields than those prescribed by the plan have been obtained for a large number of crops. At the "Tundzha" Farm the yield of oats per decare has been 99 kilograms instead of the planned 130 kilograms; peas, 21 instead of 120; beans, 5.7 instead of 95; and red pepper, 334 instead of 1,250. At the state farm in Sadovo village the yield of barley per decare has been 158 kilograms instead of the planned 200 kilograms; sunflower, 94 instead of 130; and late potatoes, 340 instead of 2,000. The low yields have contributed toward increased production costs and, consequently, to the losses incurred by the farms.

The directors of the inspected farms have not set up a proper labor organization and have not applied the fixed quotas for wages. As a result, an excess expenditure from the workers' wage fund of 10,874,292 leva has been made at the "Tundzha" Farm and an excess expenditure of 1,500,416 leva at the farm at Sadovo. The excess expenditures from the workers' wage fund have increased production costs, and they are consequently the main reason for the losses incurred by the farms.

Not observing the budget, the director of the state farm in Sadovo and his accountant and manager, Boris K. Amudzhov, have made excess expenditures from the general production funds in the amount of 1,898,904 leva; from the general administrative funds, 681,856 leva, and from the fuel and lubricants fund, 231,380 leva. They have spent 167,036 leva from the working funds of the farm for building a platform for physical education; have established a gratuitous kindergarten without having any credits allotted by the plan for that purpose; and have spent 184,625 leva for the upkeep of the kindergarten.

The unsatisfactory way in which agricultural machinery has been used in the two farms has also contributed toward increasing the losses. At the farm in Sadovo, 9,130 decare were to be plowed by tractors, but only 1,823 decare have actually been plowed. Waste of imported fuel and lubricants has been especially irresponsible. For plowing the above-mentioned areas, 10,419 kilograms of gasoline have been used instead of the planned 3,023 kilograms. This represents an over-expenditure of 7,396 kilograms of gasoline. Due to the fact that machinery has not been used properly, the unaccounted-for expenditures for its utilization and the excess expenditures on fuel and lubricants have caused a loss of 1,076,200 leva. The plowing of one decare costs the farm 741 leva, instead of 150 leva as specified by the plan.

According to the 454th decree of the Council of Ministers of 22 February 1950, state farms are required to deliver to the state their entire annual output of milk, minus the quantities prescribed by the plan for the needs of workers and calves. In violation of the above decree, the directors of the inspected farms have sold considerable quantities of milk products to different individuals and organizations, without being authorized to do so. In 1950, the director of the "Tundzha" Farm sold 420 kilograms of butter and 1,677 kilograms of cheese to outsiders, and the director of the state farm in Sadovo sold 520 kilograms of butter and 860 kilograms of milk without proper authorization.

An account of the daily production has not been kept at the inspected farms. Due to the irregular accounting of the finished production, the accounting department has not had data on existing stocks at all times. This has created favorable conditions for misplacements, embezzlement, waste, and bad management. There have been cases in which products have been delivered from the farms without the required demands, or the demands have come in long after the products have been sent out.

As a result of this lack of control over incoming and outgoing materials during the inspection, deficiencies and surpluses of products were discovered. At the "Tundzha" Farm and at the state farm in Sadovo deficiencies of gasoline and other fuels were discovered.

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The director of the "Tundzha" Farm and his accountant and manager, Stoyan Sakhandzhiev, have prepared false accounts for production costs and a false yearly report on the farm's activity.

The directors and managers of the farms have permitted a number of budget violations. The disbursing officer of the state farm in Sadovo, Ang. Apostolov, has made advance payments to workers illegally, and he himself has taken advance money in the amount of 58,165 leva. He did not make certain that the amounts received by his subordinates were turned in daily, and it was discovered that 154,462 leva were in the possession of these persons.

The director and the accountant and manager of the state farm in Sadovo have violated the provisions of the employment quota by employing 14 more employees than were called for. These persons received salaries amounting to 1,268,281 leva in 1950.

The inspection made by the State Control Commission during the first half of May 1951 at the "DZS" (State Farm) Combine showed that the unsatisfactory results from state farm activities are due to the poor manner in which the combine has managed each of the farms.

The directing body of the "DZS" Combine, headed by Ivan Zakhariev, did not pay the necessary attention in 1950 to the basic problems confronting state farms, labor organization, high yields, economy, budgeting, and proper accounting. It did not inspect any of the farms in 1950 to establish the degree of bad management, get a clear picture of actual conditions and take the necessary measures for improvement.

The "DZS" Combine maintained very loose contact with state farms in 1950. It did not supervise them effectively nor check up on the way in which they fulfilled the tasks entrusted to them.

The work of the production organizers and accounting instructors, assigned by the combine in 1950 to state farms, is also very far from satisfactory. Their stay at the farms has been of short duration and they have neither made comprehensive studies of the activity at the farms nor given them immediate assistance for discovering and eliminating weaknesses. For the work accomplished during their tours, the nine production organizers, the 15 accounting instructors, and the various certified accountants have submitted only a number of reports to the combine, only a part of which have been taken into consideration by the director, Ivan Zakhariev, and the Chief Accountant Vasil Simeonov.

The State Control Commission imposed the following punishments: It dismissed Kumanov (director in 1950 of the state farm in Sadovo) from the job of organizer at the "DZS" Combine and Stanchev from the job of director of the "Tundzha" Farm. It is turning them over to the public prosecutor for legal action against them. It dismissed Sakhandzhiev from the job of accountant and manager of the "Tundzha" Farm and Atanas Dimitrov Tozey from the job of warehouse keeper at the state farm in Sadovo. It imposed lighter punishments on the other guilty persons.

In connection with the inspections made, the State Control Commission deems it its duty to warn the directors of all state farms to take strong measures for improving management, organization, and accounting methods of the farms; for applying proper agricultural methods extensively; for the strict observance of state, planning, and financial requirements; and for economizing.

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